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July 21, 2009

VIA FIRST CLASS MAIL AND E-MAIL

Mr. John W. Moynihan
Reed Smith Sachnoff & Weaver
10 South Wacker Drive
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**RE: BCS/Phoenix Bond Litigation
 Our File No. 20191-01**

Dear John:

As I mentioned to you near the close of the recently concluded Janet Meyers deposition, based upon her testimony and the testimony of Jocelyn Congua Stoller at her recent but as yet uncompleted deposition, it is clear that relevant financial information regarding BCS was not previously provided nor could either testify with respect thereto. Rather, each indicated that the person with that knowledge and the relevant documents was Joanie Fellows, the BCS accountant in Arizona. In light of that testimony, we request that we be provided for calendar years 2002 through 2007 with copies of the financial statements and the tax returns for BCS as described by Ms. Stoller as being in the possession of Ms. Fellows and from which Ms. Stoller testified that the relevant financial information defendants sought with respect to the financial abilities of BCS could readily be ascertained. (The tax returns should include Schedule E from Ms. Stoller's personal returns for that period). At some point we may desire to depose Ms. Fellows with respect to those documents and that information, but we will defer a decision in that regard until we have been afforded an opportunity to review those documents. Please let us know when we can expect receipt of this information pursuant to and under the terms of the Protective Orders in these cases.

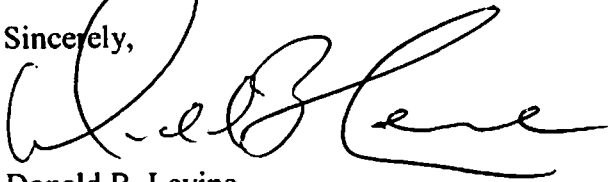
In addition, both Ms. Stoller and Ms. Meyers testified that for at least the last two years, written communications via email were exchanged between them regarding the operations of BCS. Little if any of those emails have yet to be produced despite previous formal requests for the same. We therefore also request that copies of all non-privileged emails received or sent by either (or anyone else employed at BCS) during the period 2002 through the present regarding the operations, business or finances of BCS be provided, and that to the extent privileged emails were sent, that a log of the same be presented. Hard copies and the electronic databases should be made available.

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Latimer|LeVay|Jurasek LLC

Given the present discovery cut-off date, we ask that this information about which we just became aware at these recent depositions be provided promptly. If you desire to discuss any of these requests, please let me or Harold Moskowitz know.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald B. Levine". The signature is fluid and cursive, with a large loop at the beginning and a long, sweeping tail.

Donald B. Levine

DBL/cmc

cc: To All Parties of Record

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